

New Zealand

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New Zealand represents an ideal destination for various new-to-export companies. Like Australia, New Zealand is a strong and stable democracy, and business practices are similar to those in the United States. The United States is New Zealand's third-largest export destination and third-largest source of imports, behind Australia and the European Union. In 2001 New Zealand's total trade with the United States accounted for 15.4 percent of total trade. New Zealand, in turn, ranks 40th as a destination for U.S. exports. U.S. imports are faring better in the marketplace with an increase in the U.S.-New Zealand dollar exchange rate to \$1.80 after a six-year decline that saw a low of \$2.56.

Inflation rose last year by 1 percent to 2.8 percent, which caused the Reserve Bank to raise interest rates to 5.75 percent. This, however, has not slowed economic growth. New Zealand's economy is very robust, and the previously low exchange rate aided the country's top export group, agricultural products.

The building industry is also affected by interest rates. The country and Auckland in particular have experienced a steady increase in new housing construction as well as an increase in property prices. This is due to cyclical trends as well as an increase in net migration.

Auckland, which has approximately 1.1 million people, is the commercial center of New Zealand. The capital, Wellington, has a population of 414,000. The other major center is Canterbury in the South Island with a population of 468,000. The population of New Zealand is predicted to grow to 4.81 million people by 2051, with half older than 45 and one in four over 65 years old. The current unemployment rate remains near its historic low of 4.9 percent.

New Zealand offers opportunities in numerous sectors. The U.S. Commercial Service has focused on the following areas:

- Information and communications technology
- Franchising
- Tourism
- Environmental technologies.

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